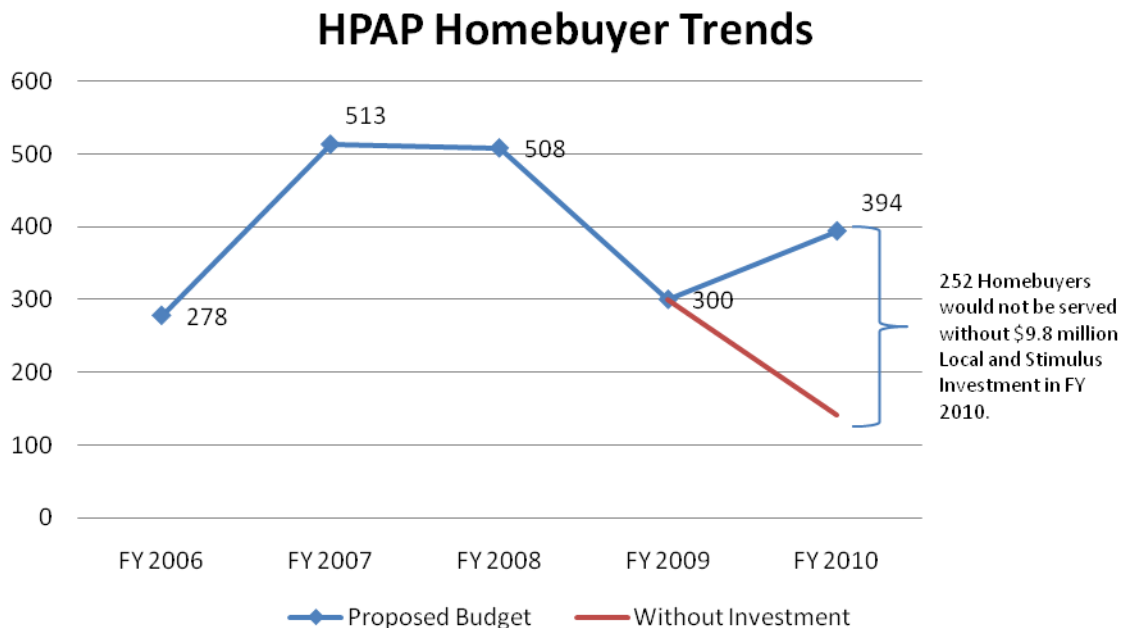


Ensuring the Viability of HPAP for District Homebuyers

An investment of Local Funds and State Fiscal Stabilization Funds will allow HPAP to continue for almost 400 first-time homebuyers.

Research has proven that homeownership is the basis for a number of positive social, economic, family and civic outcomes, and it helps to stabilize communities, especially in times of economic hardship. For the past 30 years, the Home Purchase Assistance Program (HPAP) has helped thousands of District residents purchase their first home through interest free loans for down payments and closing costs. DHCD is committed to continuing that program for almost 400 homebuyers in FY 2010. This proposed budget invests \$3.3 million in Local Funds for the HPAP program, in addition to \$6.5 million in State Stabilization Funds. Combined with resources from Special Revenue, Intra-District, and other Federal Funds, homebuyers can receive loans for up to \$40,000 in down-payment assistance and \$4,000 in closing costs.

As the chart below illustrates, without Local and Stimulus investment in HPAP, the program would fall far below historical levels and fewer homebuyers would benefit, at a time when stabilizing District neighborhoods is critical.



In FY 2009, DHCD revised the HPAP benefits to serve more people with fewer resources. The result is outlined in the following table:

	Previous HPAP Benefits	Revised HPAP Benefits
Down Payment Assistance	\$70,000	\$40,000
Closing Cost Assistance	\$7,000	\$4,000